Foreign Crops and MARKETS

VOLUME 49 NUMBER 6

August 7, 1944

IN THIS ISSUE

CANADIAN CROP PROSPECTS PROMISING

Harvesting of grain crops is now under way in many parts of Canada, and prospects generally continue promising, according to the Dominion Bureau of Statistics. Some improvement in dry sections resulted from timely rains that fell throughout the eastern parts of the country. Excellent rains were reported in Prince Edward Island and New Brunswick, and the drought in Nova Scotia was partially relieved. Some rains were also reported in Quebec.

Big yields are reported for winter wheat in Ontario, where the harvest is now in full swing. Cutting of wheat, oats, and barley was expected to be general throughout southern Manitoba during the first week of August, but in the northern sections it will not get under way until the latter part of the month.

Cutting of wheat began in Saskatchewan during the last week of July. The situation there was referred to as good, although certain dry areas showed further deterioration.

Combining of wheat commenced in southern Alberta. Some early coarse grains also were cut in that area. In the northern sections of the Province and in the Peace River area, however, crops still are green, with dry weather forcing maturity.

Issued by the OFFICE OF FOREIGN AGRICULTURAL RELATIONS
UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D.C.

CANADIAN WHEAT ACREAGE SHARPLY INCREASED

A sharp increase in the 1944 wheat acreage in Canada is indicated by the first official acreage report. The wheat area in the Prairie Provinces is estimated at 23.1 million acres compared with 16.7 million in 1943, an increase of 37.8 percent. It is the largest since 1940. The acreage figure is considerably above farmers' intentions to plant, as reported in May, which placed the prospective wheat acreage in the Prairie Provinces at 20.5 million acres. Wheat acreage in the Prairie Provinces normally represents about 95 percent of the country's total wheat area.

A number of factors combined to encourage the larger wheat seedings this year. Among them, the comparatively high wheat prices and exceptionally favorable weather at seeding time are probably the most important. In addition, the increased delivery quotas and finally the removal of all delivery restrictions, at least until the new 1944-45 marketing year, together with the removal of acreage payments for shifts to other crops, renewed interest in wheat growing again. Prices based on $1.25 per bushel (in Canadian currency), as guaranteed for No. 1 Northern in store at Ft. William-Port Arthur in 1943-44, are to continue on the 1944-45 crop. Any profits accruing through sales above the guaranteed prices are assured to growers through use of participating certificates.

The increase of 6.3 million acres in wheat was largely at the expense of coarse grains, flaxseed, and summerfallow, the reductions in those acreages amounting to around 5.3 million acres. The decrease in the flaxseed acreage was the largest of the changes involved, the loss being about 1.6 million acres, or around 55 percent, compared with 1943. Decreases in the oats and barley acreages, at 1.3 and 1.1 million acres, respectively, represent percentage declines of 12 and 15 percent. The reduction in summerfallow amounts to a cut of about 6 percent.

The breakdown by Provinces shows the largest increase in wheat acreage in Saskatchewan. Gains in both Manitoba and Alberta are also large, however, and represent an even larger percentage gain than the increase in Saskatchewan. The shift from oats, barley, and flaxseed alone in Saskatchewan amounted to 2.6 million acres, and in Alberta it was around 1.1 million, while in Manitoba it was reported at only about 0.4 million acres.

CANADA: Grain acreage sown in the Prairie Provinces, 1936-1944

PROVINCE AND YEAR	WHEAT	OATS	BARLEY	RYE	FLAXSEED	SUMMER-FALLOW
	1,000 acres	*1,000 acres*	*1,000 acres*	*1,000 acres*	*1,000 acres*	*1,000 acres*
Manitoba						
1943	1,640	1,631	2,341	56	284	2,313
1944	2,506	1,515	2,123	44	167	a/
Saskatchewan						
1943	10,260	6,482	3,316	340	2,084	11,979
1944	13,808	5,640	2,698	397	939	a/
Alberta						
1943	4,829	3,676	2,239	102	550	6,345
1944	5,738	3,192	1,941	131	192	a/
Prairie Provinces						
Average 1936-1940	25,589	8,363	3,644	796	311	16,297
1941	21,140	8,137	4,735	861	982	23,111
1942	20,653	9,666	5,414	1,246	1,466	19,979
1943	16,729	11,789	7,896	498	2,918	20,637
1944	23,052	10,447	6,762	572	1,298	19,427

From reports of the Dominion Bureau of Statistics. a/ Not reported separately.

Weather conditions have been unusually favorable over most of the crop area, despite a shortage of moisture, which was the cause of some concern at the beginning of the season, and prospects are now generally favorable for above-average yields on the increased acreage, except for certain districts in southwestern Saskatchewan, southeastern Alberta and parts of the Peace River district. In those areas lack of rainfall combined with high temperatures and drying winds caused considerable deterioration late in July.

Grain crops are more advanced than a year ago, as a result of the favorable growing season. Harvesting of wheat and barley was expected to begin in Manitoba during the last week in July, and the wheat harvest in southern Saskatchewan is expected to get under way around August 10. In addition to the deterioration attributed to dry weather, some damage has been reported to result from hail at scattered points. Insect damage appears to be light except in southern Alberta where sawfly and grasshoppers have been active.

Judith Edwards

LARD PRODUCTION IN ARGENTINA INCREASES SHARPLY

The lard situation in Argentina in July was featured by a record level of production, relatively large unsold stocks, and much uncertainty as to prospects for exports. A record production of lard in 1944 is indicated by the large receipts of hogs at packing houses during the first half of the year. The total of 1,620,000 head was 14 percent greater than the record receipts of a year earlier. More recently receipts have been about one-third larger than at the same time last year, and this increased rate is expected to be maintained during 1944. Lard yields per head also have been increased as a result of heavier average weights and closer trimming of pork cuts destined for the United Kingdom.

Hog raising has been stimulated since the war began by an abundance of corn at relatively low prices in Argentina and a strong export demand for pork. The loss of the usual export outlets for corn in Europe has tended to depress corn prices to the level of the Government's present guaranteed minimum of 5.95 pesos per 100 kilograms (49 cents per bushel) for shelled corn delivered at Buenos Aires for export and 6.10 pesos (50 cents) when destined for domestic consumption. With prices of live hogs delivered to packing houses averaging 40 to 41 centavos per kilogram (about 6 cents per pound) early in July, the hog-corn price ratio was considered favorable, and profits were attractive.

Intensified interest in Argentina's hog-raising industry was reflected in the steadily increasing exports of lard since 1940, as shown in the following table. Supplies of lard available for export in 1944 are expected to reach about 110 million pounds, or nearly 50 percent more than the record 1943 exports of 74.6 million pounds. Exports have fallen off, however, in recent months, while production was being maintained at a high level, and this has resulted in an accumulation of unsold stocks, which in early July were estimated at 11 million pounds.

ARGENTINA: Exports of lard by country of destination, 1943 with comparisons

COUNTRY	AVERAGE 1936-40	1941	1942	1943 a/
	1,000 pounds	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*
Bolivia	1,428	8,374	3,382	673
Chile	112	149	395	1,200
Costa Rica	b/	789	2,502	1,526
Cuba	0	0	6,431	31,616
Ecuador	97	1,928	4,781	9,942
Mexico	0	8	7,424	2,465
Peru	528	1,697	8,985	11,586
Sweden	b/	212	240	4,459
Switzerland	0	1	336	1,571
United Kingdom	10,515	2,532	17	-
Venezuela	12	625	3,931	3,700
Others	1,932	1,682	6,011	5,830
Total	14,624	17,997	44,435	74,568

Compiled from official sources and current reports from American Embassy, Buenos Aires.
a/ Preliminary. b/ Less than 500 pounds.

Argentine lard exports during the first 5 months of 1944 totaled 19 million pounds, as compared with 25 million for a similar period in 1943. The export outlook for lard during the remainder of 1944 is rather uncertain because of increased competition from United States lard, following the removal on May 15, 1944, of restrictions on exports of lard from the United States. Cuba and Mexico were among the leading export markets for Argentine lard in 1942 and 1943. These two countries as well as others in the Caribbean area that normally obtain considerable quantities of lard from Argentina, are now importing a larger proportion of their requirements from the United States, chiefly because abundant supplies are available there at favorable prices, and shipping facilities also are more readily available than in Argentina.

Reductions in exports to the Caribbean countries have been offset to some extent by increased exports to the United Kingdom, Sweden, and Switzerland. The British Government recently agreed to accept at least 30 percent of its frozen-pork imports from Argentina in the form of pork cuts instead of boned pork. In view of the heavier yield of lard resulting from this change in handling pork, the British Government has indicated its willingness to absorb the larger lard supply, estimated at about 13 million pounds. There is reported to be a shortage of meat and lard in Brazil, and some sources in Argentina believe that there is a possibility of exporting lard to that country this year, particularly if the Brazilian import duty is removed.

Argentine lard was offered to the United Kingdom early in July at 72 shillings per 112 pounds (13 cents per pound), c. & f. United Kingdom, packed either in boxes or tierces. This price is equivalent to 86 centavos per kilogram (12.7 cents per pound) f.o.b. Buenos Aires packed for export, or 65 centavos (9.6 cents) in bulk. The price of lard in bulk is only slightly higher than the 60 centavos (8.8 cents) being paid by the United States for Argentine tallow in bulk. In view of the lack of sufficient export outlets for edible lard, it was suggested locally that some Argentine lard might become available at this price for use in the manufacture of soap in the United States, where there is a shortage of fats for soap.

Prices of Argentine lard are somewhat lower than those of United States lard, but distribution on export markets is limited. In order to preserve the good quality of Argentine lard arriving in tropical countries or being shipped to European markets, the lard must be packed in tins, or hydrogenated, or refrigerated. In the absence of both tinplate and hydrogenating facilities, the export of high-grade edible lard is limited for the time being. Lack of shipping schedules to many Caribbean ports also is a limiting factor.

With the restoration of normal shipping operations and free access to foreign sources for tinplate and hydrogenating equipment, Argentine packers may maintain or exceed the high level of lard exports reached during the war years. Two of the principal factors that influence the hog-raising industry in Argentina, and indirectly the production of lard there, are the profitable disposal of the pork produced and the extent to which Argentine corn prices may rise with the reopening of export markets for corn.

Based on reports from the American Embassy, Buenos Aires.

ARGENTINE MEAT EXPORTS SHOW INCREASE

Beef output in Argentina this year probably will be larger than in 1943 but less than the record output of 1941. Increased cattle slaughter in the early war years in response to the increasing export demand for beef resulted in a moderate reduction in cattle numbers in that country by 1942. During the years immediately prior to the war, numbers were increasing. Slaughter during 1939-1941 was especially large, reaching its peak in 1941. Exports of beef and veal also reached their peak in that year, and were 30 percent greater than the 1934-1938 average, but domestic consumption was 4 percent less than in 1939, when it was at at its peak.

Slaughter fell off in 1942 and 1943, probably in part because of drought, but the resulting decrease in beef output was reflected more in domestic consumption than in exports. Output in 1943 was 6 percent less than the 1934-1938 average, whereas exports were 5 percent greater than the pre-war average. Per capita consumption was about 20 percent below pre-war average and 24 percent less than the 1939 peak.

Beef exports during the first quarter of 1944, carcass weight equivalent, totaled 488 million pounds, and were 74 percent more than a year earlier. Canned beef made up 42 percent of the total in contrast with only 12 percent in the 1943 period. Shipments of frozen beef were only slightly larger than a year earlier. Exports of mutton and lamb totaled 105 million pounds, dressed-carcass weight, or 117 percent more than in the corresponding quarter of 1943. Pork exports were estimated at 52 million pounds, approximately the same as a year earlier. The increase in exports of all meats combined during the quarter was about 70 percent. While this rate of increase over last year is not expected to continue, total exports for the year will be considerably greater than in the previous year.

Throughout the war period, Argentina has supplied a large proportion of the beef requirements of the United Nations, especially those of the United Kingdom. During pre-war years it was also the chief source of supply for beef imported by the latter country. The increased quantities supplied by Argentina since the war started, along with larger supplies of pork, lamb, and mutton, have made it possible to divert meat produced in the British Dominions of the Pacific Area to the Allied forces located there and thus utilize shipping facilities for other war needs.

The reduction of 20 percent from prewar levels in average per capita consumption of beef and veal in Argentina in 1943 was probably reflected more in the smaller towns and rural areas than in the larger cities and industrial areas where consumer purchasing power increased as a result of the war. Utilizing a larger proportion of the beef supply for canned beef for export accounted in part for the decrease in consumption, as the grades commonly used for canning are those most extensively used by domestic consumers, especially in the interior. Processing a larger proportion of the export supply into canned meats was necessary in order to conserve shipping facilities and to provide the kind of meats especially desired by the Allied Nations.

Canned meats may be readily stored in nonrefrigerated warehouses such as are required for chilled and frozen meat. Because of the increased demand for canned beef a considerable proportion of the better grades of beef commonly utilized for chilled and frozen beef was processed into the canned product. Recently official announcement was made that sufficient quantities of canned meat are now on hand to fulfill contracts made with the United Nations. In view of this reserve supply, the Government decreed under date of June 21, 1944, that so long as the conditions that are causing a shortage of beef for consumption in the country continue, canned meat may be prepared only from carcasses especially suitable for that purpose.

Since Argentina is primarily a beef-eating nation, Government officials there have been giving attention to the problem of supplying the low-income groups with beef at cheaper prices. A recent statement issued by the Ministry of Agriculture points out the difficulties encountered in attempting to accomplish this without unduly affecting the livestock industry, which is of such great importance in Argentina's national economy. The importance of the industry is shown by the value of the exports of livestock products in the past 3 years, which averaged annually 1,048 million pesos ($312,000,000) and represented 58 percent of the value of all exports from that country. Any plan for supplying more and cheaper meat for home consumption would probably tend to affect the country's export trade and its domestic economy. Argentina exports more beef than any other country, and in the 5 years preceding the war an average of 90 percent of the total exports of meat consisted of beef.

Esther H. Johnson

LATE COMMODITY DEVELOPMENTS

GRAINS AND GRAIN PRODUCTS

URUGUAY'S WHEAT CROP REDUCED

The 1943-44 wheat crop in Uruguay is estimated to have totaled 8,745,000 bushels, or about 30 percent less than the preceding crop, according to information received in Office of Foreign Agricultural Relations. The reduction was due principally to decreased seedings, with slightly lower yields per acre a minor factor. The acreage was reported at 734,000 acres, compared with 987,000 acres in 1942-43.

A number of causes contributed to the reduction in the wheat acreage, the principal one being the shortage of fuel allotted to wheat growers for seeding and the consequent reduction to an acreage that could be seeded by animal power. The governmental encouragement to flaxseed growers and during the past season, to growers of forage crops, is also reported to have caused some shift from wheat.

Maximum consumption needs, placed at 250,000 tons or about 9.2 million bushels, appear to be assured through reported total supplies of 12.1 million bushels, including carry-over stocks 3.4 million, for use during the marketing year. The country is normally on a small net-export basis with most of its surplus exported to Brazil.

SWEDEN MODIFIES BARLEY'S USES

With improved prospects for the 1944 bread-grain crops in Sweden, prohibitions against the use of barley for feed, in parts of the country, have been lifted. At the same time the compulsory admixture of barley with wheat flour has been reduced to 2 percent, from the former 5 percent admixture, but the proportion of rye in the flour is to remain unchanged at 15 percent. Reports indicate that if the bread-grain harvest is as favorable as expected, inclusion of barley in the flour may be dropped.

BARLEY SHIPMENTS FROM ALBERTA TO EAST BANNED

The Canadian Wheat Board has banned the shipment of barley from Alberta to points east of that Province from July 13 until further notice. The Board's action, taken at the request of the Feeds Administrator, was said to be due to shortages of barley to supply feed demands in parts of Alberta and in British Columbia. As a result of the action, open barley contracts for shipment from Alberta to points in Saskatchewan have been cancelled.

WHEAT PRODUCTION IN PORTUGAL BELOW AVERAGE

The 1944 wheat crop in Portugal is estimated at around 12.3 million bushels, according to recent reports. Though slightly larger than the small 1943 production of 11.0 million bushels, the outturn would be below earlier expectations and somewhat below average. The crop, harvest of which began in the latter part of May, will fall considerably short of normal requirements for the coming season. On the basis of the new crop estimate, the deficit for the 1944-45 year is indicated at around 9 million bushels for Portugal and 1 million for the islands.

Imports during the first 10 months of the current year, August-May, are reported at 6.8 million bushels, compared with 4.0 million during the full year 1942-43. The below-average harvest is attributed largely to the severe drought experienced early in the season.

VEGETABLE OILS AND OILSEEDS

CANADIAN FLAXSEED ACREAGE REDUCED SHARPLY

The 1944 flaxseed acreage in the Prairie Provinces of Canada (usually 98 to 99 percent of the total) is estimated by the Dominion Bureau of Statistics at 1,297,500

acres, about 56 percent less than the area harvested in 1943, reported at 2,918,400 acres. The 1944 estimate is 54 percent below the goal of 2,800,000 acres fixed last December by the Government. The condition of this year's crop is reported to be generally good with prospective yields per acre about the same as last year. The reduction in flaxseed acreage was accompanied by an increase of 6,324,000 acres in the 1944 wheat acreage in the Prairie Provinces, indicating a diversion from flax to wheat cultivation this year.

IMPORTS OF FATS AND OILS INTO ECUADOR AT HIGH LEVEL

Imports of fats and oils into Ecuador during the first 5 months of 1944 amounted to 8,800,000 pounds of lard and 94,000 of edible vegetable oils, as compared with 1,800,000 and 138,000 pounds, respectively, for the corresponding period in 1943. Lard and edible oils usually make up the bulk of Ecuador's imports of fats and oils. Sources for lard were divided nearly equally between Argentina and the United States, while Argentina was the source for nearly all of the vegetable oils.

COTTONSEED PRODUCTION IN PERU SLIGHTLY HIGHER

A preliminary estimate of the 1944 cotton crop in Peru indicates a cottonseed production of about 155,000 short tons as compared with 135,000 in 1943 and 175,000 tons in 1942. This small increase over the 1943 crop amounts to nearly 3,000 tons in terms of oil and is significant because of the shortage of edible vegetable oils in Peru. Cottonseeds are the only oilseeds produced in Peru on a commercial scale, although the Government has fixed minimum prices for the 1944 crop of peanuts, sunflower seed, sesame seed, and castor beans in an effort to stimulate production (see Foreign Crops and Markets Summary for November 1943). Cottonseed exports normally average 30,000 to 35,000 tons but have been prohibited since January 1943 because of the shortage of imported edible oils and the restriction of cotton acreage under the United States - Peruvian cotton-purchase agreement.

COTTON AND OTHER FIBERS

EARLY ESTIMATES SHOW SLIGHT INCREASE IN MEXICAN COTTON CROP

According to estimates made by the cotton trade in Mexico, the cotton crop in that country will show a slight increase over that harvested last year. Indications are that Mexico will harvest about 530,000 bales (of 478 pounds), compared with 520,000 bales last year, and a record high production in 1905-06 of 685,200 bales. If weather conditions continue favorable, the crop may turn out slightly higher than preliminary estimates indicate.

The greatest relative increase is expected in the Matamoros area, across the Rio Grande from Brownsville, where a harvest of about 90,000 bales is predicted for this season. This is a considerable increase over the 53,000 bales produced last year. In this area, insect damage is light, and weather conditions have been almost ideal. There has been considerable agitation on the part of producers to market their crop as quickly as possible. Warehouses are filled with last year's cotton. Growers have appealed to the Government for help, but as yet no disposition of this cotton has been made. Only designated Government agencies are allowed to export cotton from Mexico.

In the Laguna area, around the city of Torreon, which is Mexico's major cotton-producing district, the crop has not progressed so well. Unseasonal rains and cool weather are responsible, and the crop is reported to be some 6 to 8 weeks behind the regular growing season. Indications are that production will not reach the record harvest of 278,000 bales turned out last year.

In the Mexicali area, on the Mexico-California border, due to cool, windy weather, the crop is about 4 weeks late. If the weather is favorable for the rest of the season, it is expected that a crop of some

95,000 bales will be produced in this area. The crops in the Ciudad Juarez area, across the Rio Grande from El Paso, and in the Sinaloa area are about normal, with little insect infestation, and good weather conditions.

EGYPTIAN COTTON CROP PROGRESSING SATISFACTORILY

Although the month of June was somewhat cooler than normal, the cotton crop of Egypt has made good progress, according to unofficial reports received from Alexandria. In upper Egypt, where the crop is planted in February and March, it was reported to be in full bloom and fruiting normally at the end of June, while in lower Egypt, where the crop is about a month later, it was developing satisfactorily. Insect damage was reported to be much lighter than in previous years, and irrigation water has been adequate throughout the country during the growing season. Picking will start in upper Egypt in August and in lower Egypt in September.

MEXICO LEVIES PROCESSING TAX

The Mexican Government, by Presidential decree, has levied a consumption tax, or processing tax, of 10 pesos per quintal, or about 2 cents per pound, on all cotton ginned in the country after July 9, 1944. The funds collected will be used for the purpose of deferring the expenses of the Compania Exportadora y Importadora, Mexicana, S.A. (Mexican Import and Export Company). This Company is used by the Federal Government for carrying out the program of price regulation. It is presumed that in the event cotton is exported or sold for export by the Company at a price below the domestic price, the loss will be made up from the funds collected under the decree.

ABACÁ PRODUCTION BEGINS IN HONDURAS

The first shipment of abacá from Honduras left port in April and consisted of 13 pounds of fiber and 5,000 pounds of tow. The shipment was for experimental purposes only, but larger amounts are expected to follow. The planting of 5,000 acres was accomplished in 1943, and production is expected to reach about 1,000 to 1,200 pounds of fiber per acre by 1945.

Abacá plantations in Latin America now include a total of about 40,000 acres in Honduras, Costa Rica, Guatemala, and Panama. Philippine stock was introduced experimentally in Panama as early as 1925, but production on a commercial scale was not begun in the Western Hemisphere until the chief source of the abacá fiber supply was cut off by the fall of the Philippine Islands to Japan.

An average of about 379,500,000 pounds of abacá, or about 95 percent of the world's supply, was produced annually in the Philippines during the 5 years 1937 to 1941. Imports into the United States averaged nearly 122,350,000 pounds during the same period.

CANADIAN COLLECTION OF MILKWEED FLOSS

About 250,000 bushels of milkweed pods will be gathered for floss in Canada this fall, according to plans of the Agricultural Supplies Board. A crop of this size would be expected to yield approximately 250,000 pounds of floss suitable for use as a substitute for kapok in life preservers. School children will collect most of the crop and will be paid 20 cents per bushel of dried pods.

Milkweed plants are perennials, which grow wild in many parts of the world, including the United States. The pods are picked in Canada during the last 2 or 3 weeks of September and throughout October. They are dried for about 3 weeks, then the floss is separated from the pod shell and the seed. Its warmth and light weight make the floss suitable not only for use in life preservers but also as a substitute for wool in padding for clothing and sleeping bags.

A soft fiber can be obtained from the stalk of the milkweed. This fiber differs from the floss and has some properties comparable to those of flax. Both the floss

and the bast fiber are believed to have been used in very early times by American Indians in the making of cloth, cords, and bird and fish nets.

TOBACCO

IRELAND'S TOBACCO ACREAGE SHOWS FURTHER DECLINE

According to the Irish Department of Agriculture, only 70 tobacco growers' licenses have been issued for 1944 plantings, instead of 90 as reported earlier in the season. The licensed acreage likewise has declined from 138 acres to 120 acres. In 1943, there were 128 growers licensed to cultivate 165 acres, which produced about 127,000 pounds of leaf. Ireland is dependent upon foreign leaf-tobacco supplies for most of her requirements.

FRUITS, VEGETABLES, AND NUTS

SMALLER ONION-SEED CROP IN CANARY ISLANDS

The 1944 onion-seed crop of the Canary Islands is now estimated at approximately 180,000 pounds. This is 10 percent less than the quantity exported to the United States from the 1943 crop, which was the largest on record. The smaller production this year is attributed mainly to a heavy hailstorm last May, which destroyed a substantial proportion of the fields devoted to the crystal white variety.

Because of the importance of the onion-seed crop to farmers of the Canary Islands, a seed syndicate has been given authority to regulate farming practices and to control exports. The syndicate has established export prices for the 1944 crop at $2.25 per pound for crystal white and $2.00 per pound for yellow Bermuda. These two varieties constitute the bulk of the crop, there being very little demand for red Bermuda. It is reported that the seed syndicate has taken measures to guarantee the trueness to type of export seed.

The United States is the principal market for Canary Islands onion seed, the actual exports varying from year to year in accordance with the demand in the United States. The current demand for onions is so great that United States importers probably will bring in a major portion of the available crop. This, of course, is likely to have a great effect upon the onion-seed industry in the Canary Islands next season, the other factors being the amount of irrigation water, the weather, and the supply of fertilizers. Last season the weather was comparatively favorable, although at times fuel was lacked for irrigation pumps, and drought injury appeared inevitable. Rains and the arrival of oil, however, saved the situation. The allocation of ammonium nitrate from the United States also was considered an important factor in the size of this year's crop, which is now being harvested.

ARGENTINE DRY EDIBLE BEANS

This year's production of dry edible beans (navy type) in Argentina is placed at 800,000 bags (of 100 pounds), according to the second estimate of the season. This represents an increase of about 8.5 percent over the first forecast released in May. In the Province of Buenos Aires, production is indicated to be 239,000 bags; in Mendoza and San Juan, 201,000; in Cordoba, 124,000; and in all others it is 236,000 bags.

CHILEAN LENTIL AND BEAN PRICES

Chilean quotations for large lentils at the end of June, reported as $5.00 per 100-pound sack at San Antonio and Valparaiso, were about 10 cents above the quotations at Talcahuano and Tome. Current trading in beans has been at normal levels with only slight increases in a few prices. Current quotations for rice beans, the principal export variety, are given as $3.25 per 100 pounds. White and golden peas are quoted at $3.15 per 100 pounds; small peas (petit pois) of good quality, about the same price.

FREEZE ON CANADIAN BEAN STOCKS REMOVED JUNE 13

The Wartime Prices and Trade Board announced on June 13 the removal of the freeze order on stocks of dry white beans, yellow eye beans, and dry whole and split peas. This order, which had been in effect since March 11, was used to obtain necessary supplies of these commodities.

SUGAR

PARAGUAY TO IMPORT 5,000 TONS OF SUGAR

The Paraguayan Government has authorized the duty-free importation of 5,000 short tons of Brazilian raw sugar for the manufacture of caña and alcohols, this importation being necessary to supplement domestic sugar production, which has not kept pace with increased sugar consumption. The sharp increase in consumption is indicated by the reported requirement of 15,000 tons in 1944 compared with 10,000 tons in 1942.

COLOMBIA INCREASES SUGAR PRICES

The Colombian Office of Price Control, on May 6, 1944, prescribed wholesale prices of refined sugar for each of the 71 distribution centers at a new level approximately 50 cents per 100-pound bag above those set early in 1943. The average in 1943 was $4.12 per 100-pound bag. The retail prices, which theoretically are controlled and in line with wholesale prices, have varied greatly depending upon the scarcity of supply and the individual effectiveness of the local price-control agencies.

While Colombia was a net exporter of sugar last year, shortages have occurred in several sections of the country this year as a result of (1) speculative buying, (2) breakdowns in the transportation system, and (3) reduced production occasioned by lack of repair parts in two of the largest sugar mills. The shortage of sugar and the general increase in food prices have forced the Government to make arrangements for the importation of 11,000 short tons of sugar from Peru. The distribution of this sugar will be through the Compania Distribuidora de Asucares, which also has the responsibility of enforcing sugar prices.

LIVESTOCK AND ANIMAL PRODUCTS

ANOTHER MEATLESS DAY NOW DECREED FOR RIO DE JANEIRO

One more meatless day was added recently to the two already in effect in the city of Rio de Janeiro, Brazil. Effective July 11, no fresh meat could be sold on Monday, Wednesday, or Friday, but meat shops in the northern part of the city, particularly in the suburbs, were to receive a larger quota on Saturday for Sunday consumption. Previously, sales of meat were prohibited on Monday and Thursday. During those days hotels and restaurants were required to limit their servings to imported beef.

Reasons given for the additional restrictions on the use of meat are: Scarcity of cattle available for slaughter during the dry season, which corresponds with the last 6 months of the year; delay in concluding arrangements for obtaining supplies from Rio Grande do Sul to supplement local production; inability to maintain present consumption quotas despite reported stocks on hand of 22 million pounds of frozen meat and the fact that facilities have been granted for the importation of Argentine meat.

CUBA PERMITS EXPORTS OF BREEDING CATTLE TO PANAMA

In a special decree (No. 2053) dated July 15, 1944, the Cuban Government granted permission for the exportation of 200 head of cattle to Panama for breeding purposes. This was done at the request of the Government of Panama, and is for the purpose of enabling Panama to obtain suitable breeding stock properly acclimated to a warm climate. Buyers from Panama are purchasing animals of

the Brahma or Zebu breed, which is popular throughout the Caribbean area, and also a number of Holsteins and Jerseys for dairy herds.

BERMUDA RESTRICTS SALE OF EVAPORATED MILK

Restrictions on the sale or purchase of evaporated milk, except for consumption by children under 13 years of age, was ordered by the Bermuda Wartime Supplies Commission, effective July 3, 1944. All other consumers of that commodity may buy or sell it only with the permission of the Commission.

The prevailing shortage of evaporated milk necessitated the temporary decree. Stocks of powdered whole milk, amounting to approximately 10,000 cases, which had been in storage since 1942 against such an emergency, were recently made available to the public. The local fresh-milk supply furnishes but 10 percent of the total needs of the Colony's civilian population, which has always been dependent upon imports for its needs.

SWEDISH EGG PRODUCTION INCREASES

Swedish egg output in the current production year (September 1943-August 1944) will total about 59 million dozens, a substantial increase over each of the 2 preceding years when production totaled 49 million dozens. Production in the 1943-44 season, however, will be less than the prewar production of 67 million dozens.

Crop failures in 1940 and 1941 were responsible for the small production in 1941-42 and 1942-43. Shortages in those periods led to the decree of September 24, 1941, whereby trade in all forms of eggs was brought under Government control. This decree is still in effect.

It is reported that Swedish farmers have increased their poultry flocks in the past year to about 6,500,000, but this is only 80 percent of the number they had in 1937. It is estimated that egg production during 1944-45 will be increased to approximately 66 million dozens, or nearly to pre-war levels.

LATE REGIONAL DEVELOPMENTS

CROP PROSPECTS GOOD IN FREE CHINA

The crop situation as of July 8 in the 15 Provinces of Free China was considered favorable, but much still depended on how weather conditions and war developments might affect spring crops from that time until harvest. It was generally estimated that the total production for all crops, both winter and spring, would be somewhat above the pre-war level.

The harvest of such winter crops as wheat, barley, beans, rapeseed, and oats was the most favorable in several years. This year about 67.8 percent of the cultivated area was in winter crops. With respect to spring crops, the planted acreage will probably show little change from that of a year ago, but crop prospects as of July 8 were referred to as very good.

Early rice is very good, but the late crop in some sections may suffer somewhat, owing to the handicap of a poor start because of inadequate rainfall. Prospects were good for sweet potatoes. The early corn and kaoliang crops were about average, but the late crops were delayed somewhat by drought at planting time. Soybean prospects were said to be satisfactory.

Prospects for cotton were very good, with a much larger acreage planted. The increased area devoted to cotton this year is attributed to the favorable price fixed for that crop compared with wheat and to favorable conditions at planting time.

CUBAN DROUGHT BROKEN

The long drought in Cuba now has been broken. Rainfall during July approached normal for the first time this year. In

general, the condition of growing crops during July was good. Late planting, caused by spring drought, has been an important factor in preventing any substantial acreage expansion this year in summer food crops, such as corn, peanuts, and rice, and the harvest will be extended into late autumn.

CANADIAN GOVERNMENT SPONSORS FARM-PRICE-SUPPORT BILL

A Bill for the support of prices of all farm products except wheat during the transition period from war to peace was introduced in Parliament by the Canadian Ministry of Agriculture on July 25. No specific floor prices are mentioned in the Bill. Instead, a three-man Board is proposed, which from time to time will fix guaranteed minimum prices for individual farm products.

The Board will be given broad powers to purchase farm products in support of the guaranteed prices or to pay producers the difference between average market prices and a prescribed guaranteed level. The appropriation of a fund of $200,000,000 is proposed for the Board's price-supporting operations. The measure is to remain in force for a period to be determined and announced by the Governor in Council.

The Board is authorized to sell or otherwise dispose of any agricultural product that it purchases; to package, process, store, ship, transport, export, or insure any agricultural product; to appoint Commodity Boards or other agents to undertake the purchase and disposition of agricultural products; and to appoint Committees to assist it in an advisory capacity. Wheat is left out of the Bill because prices of that commodity are already being supported under other legislation.

The Bill specifies that in prescribing the prices at which it will make purchases the Board "shall endeavor to insure adequate and stable returns for agriculture by promoting orderly adjustments from war to peace conditions and shall endeavor to secure a fair relationship between the returns from agriculture and those from other occupations."

UNITED STATES DEPARTMENT OF AGRICULTURE
OFFICE OF FOREIGN AGRICULTURAL RELATIONS
WASHINGTON, D. C.

OFFICIAL BUSINESS